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# Security Council

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**Security Council Committee established pursuant to resolution 1737 (2006)**

## Letter dated 21 February 2007 from the Chargé d'affaires a.i. of the United States Mission to the United Nations addressed to the Chairman of the Committee

The United States Mission has the honour to attach its report pursuant to paragraph 19 of resolution 1737 (2006) on the steps taken by the Government of the United States to implement paragraphs 3, 4, 5, 6, 7, 8, 10, 12 and 17 of the above-mentioned resolution (see annex).

(*Signed*) Alejandro D. **Wolff**
Chargé d'affaires

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**Annex to the letter dated 21 February 2007 from the Chargé d'affaires a.i. of the United States Mission to the United Nations addressed to the Chairman of the Committee**

**United States 60-Day Report for the United Nations Security Council Efforts Towards Implementing UNSCR 1737**

The United States believes it is essential that Member States fully and effectively implement their obligations under UNSCR 1737. The United States is considering a range of measures to implement UNSCR 1737. This includes application of further trade and assistance restrictions, where appropriate, and working with other states to prevent trade prohibited by the resolution.

Following the structure of UNSCR 1737, U.S. actions to implement its requirements to date are as follows:

***Paragraph 3:*** *All Member States shall take the necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories, or by their nationals or using their flag vessels or aircraft to, or for the use in or benefit of, Iran, and whether or not originating in their territories, of all items, materials, equipment, goods and technology which could contribute to Iran's enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems, namely:*

*(a) those set out in sections B.2, B.3, B.4, B.5, B.6, and B.7 of INFCIRC/254/Rev.8/Part 1 in document S/2006/814;*
*(b) those set out in sections A.1 and B.1 of INFCIRC/254/Rev.8/Part 1 in document S/2006/814, except the supply, sale or transfer of:*

- *i. equipment covered by B.1 when such equipment is for light water reactors;*
- *ii. low-enriched uranium covered by A.1.2 when it is incorporated in assembled nuclear fuel elements for such reactors;*

*(c) those set out in document S/2006/815, except the supply, sale or transfer of items covered by 19 A.3 of Category II;*
*(d) any additional items, materials, equipment, goods and technology, determined as necessary by the Security Council or the Committee established by paragraph 18 below (herein "the Committee"), which could contribute to enrichment-related, or reprocessing, or heavy water-related activities or to the development of nuclear weapon delivery systems;*

***S/2006/814:*** *INFCIRC 254/Rev.8/Part 1, Nuclear Material, Equipment and Technology*

The United States does not permit the export or re-export of any items that could contribute to Iran's nuclear programs. This includes all of the items specifically listed in UN document S/2006/814. The United States also works with like-minded countries, including through the Nuclear Suppliers Group (NSG), the Zangger Committee, the Proliferation Security Initiative (PSI), and through outreach programs to non-member countries, to prevent the transfer of nuclear and nuclear-related equipment, materials,

software and related technology to or from Iran that could contribute to the development, production or delivery of nuclear weapons. Relevant U.S. authorities include the Arms Export Control Act (AECA) and the International Emergency Economic Powers Act (IEEPA) of 1977, the latter of which is the legal authority for the Executive Orders that established a comprehensive U.S. trade embargo against Iran.

*S/2006/815: Missile Technology, Equipment and Software*

The United States does not permit the export or re-export of any items that could contribute to Iran's missile programs. This includes all of the items specifically listed in UN document S/2006/815. The United States also works with like-minded countries, including through the Missile Technology Control Regime (MTCR) and the PSI, to prevent the transfer of missile-related equipment, materials, software and related technology to or from Iran that could contribute to the development or production of missiles. Relevant U.S. authorities include the AECA and the IEEPA.

***Paragraph 4:*** *All Member States shall take the necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories, or by their nationals or using their flag vessels or aircraft to, or for the use in or benefit of, Iran, and whether or not originating in their territories, of the following items, materials, equipment, goods and technology:*

*(a) those set out in INFCIRC/254/Rev.7/Part2 of document S/2006/814 if the State determines that they would contribute to enrichment-related, reprocessing or heavy water-related activities;*
*(b) any other items not listed in documents S/2006/814 or S/2006/815 if the State determines that they would contribute to enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems;*
*(c) any further items if the State determines that they would contribute to the pursuit of activities related to other topics about which the IAEA has expressed concerns or identified as outstanding;*

*S/2006/814: INFCIRC/254/Rev.7/Part 2, Nuclear-related Dual-use Equipment, Materials, Software and Related Technology*

The United States does not permit the export to Iran of any items that could contribute to Iran's nuclear programs. This includes all of the items specifically listed in UN document S/2006/814. The United States also works with like-minded countries, including through the NSG, the Zangger Committee, the PSI, and through outreach programs to non-member countries, to prevent the transfer of nuclear and nuclear-related equipment, materials, software and related technology to or from Iran that could contribute to the development, production, or delivery of nuclear weapons. Exports and re-exports of items from the NSG Dual Use List to Iran are prohibited both by the AECA and IEEPA, the latter of which is the legal authority for the Executive Orders that established a comprehensive U.S. trade embargo against Iran.

*S/2006/815: Missile Technology, Equipment, and Software*

The United States does not permit the export or reexport to Iran of any items that could contribute to Iran's missile programs. This includes all of the items specifically listed in UN document S/2006/815. The United States also works with likeminded countries, including through the MTCR and PSI, to prevent the transfer of missile-related materials to or from Iran that could contribute to development or production of missiles.

***Paragraph 5:*** *Decides that, for the supply, sale or transfer of all items, materials, equipment, goods and technology covered by documents S/2006/814 and S/2006/815 the export of which is not prohibited by subparagraphs 3 (b), 3(c), or 4(a) above, States shall ensure that:*

*(a) the requirements, as appropriate, of the Guidelines as set out in documents S/2006/814 and S/2006/985 have been met; and*
*(b) they have obtained and are in a position to exercise effectively a right to verify the end-use and end-use location of any supplied item; and*
*(c) they notify the Committee within ten days of the supply, sale or transfer; and*
*(d) in the case of items, materials, equipment, goods and technology contained in document S/2006/814, they also notify the IAEA within ten days of the supply, sale or transfer;*

The United States does not permit the export to Iran of any items that could contribute to Iran's nuclear or missile programs. This includes all of the items specifically listed in UN documents S/2006/814 and S/2006/815. Exports and re-exports of items from either list to Iran are prohibited both by the AECA and IEEPA, the latter of which is the legal authority for the Executive Orders that established a comprehensive trade embargo against Iran.

***Paragraph 6:*** *Decides that all States shall also take the necessary measures to prevent the provision to Iran of any technical assistance or training, financial assistance, investment, brokering or other services and the transfer of financial resources or services, related to the supply, sale, transfer, manufacture or use of the prohibited items, materials, equipment, goods and technology specified in paragraphs 3 and 4 above;*

The comprehensive U.S. trade embargo on Iran, established pursuant to the AECA and Executive Orders issued under the authority of IEEPA, prohibits all technical assistance or training to Iran as pertains to the items covered in paragraphs 3 and 4 of UNSCR 1737. The United States also works with like-minded countries, including through the NSG, the Zangger Committee, MTCR, PSI, and through outreach programs to non-member countries, to prevent transfers to Iran of technical training, advice, services or assistance related to the provision, manufacture, maintenance or use of the items in paragraphs 3 and 4 of UNSCR 1737.

As for preventing financial assistance or services to Iran's nuclear weapon and delivery system activities, in June 2005, the President signed Executive Order 13382 (Blocking

Property Supporters). The Order allows the United States to block or "freeze" the property and assets, subject to U.S. jurisdiction, of weapons of mass destruction proliferators and their supporters. Persons that are designated under the Order are denied access to the U.S. financial and commercial systems, and U.S. persons, wherever located, are prohibited from engaging in transactions with them. This national authority also allows the United States to implement effectively the provisions set forth in operative paragraphs 6 and 12. Financial assistance and financial services to Iran's nuclear weapon and delivery system activities are also prohibited as part of the comprehensive U.S. embargo on trade in goods, technology and services with Iran, which is maintained pursuant to Executive Orders issued under the authority of IEEPA.

The U.S. government in January 2007 designated Bank Sepah, the fifth largest Iranian state-owned bank, pursuant to Executive Order 13382 for providing direct and extensive financial services to Iranian missile-related firms designated in the annex to Resolution 1737.

***Paragraph 7:*** *Decides that Iran shall not export any of the items in documents S/2006/814 and S/2006/815 and that all Member States shall prohibit the procurement of such items from Iran by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of Iran;*

Items of Iranian origin covered under both lists may not be imported into the United States either directly or through third countries, without prior authorization from the Office of Foreign Assets Control of the U.S. Department of the Treasury. The U.S. ban on Iranian-origin imports is maintained pursuant to Executive Orders issued under the authority of IEEPA.

***Paragraph 10:*** *Calls upon all States to exercise vigilance regarding the entry into or transit through their territories of individuals who are engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or for the development of nuclear weapon delivery systems, and decides in this regard that all States shall notify the Committee of the entry into or transit through their territories of the persons designated in the Annex to this resolution (herein "the Annex"), as well as of additional persons designated by the Security Council or the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities and for the development of nuclear weapon delivery systems, including through the involvement in procurement of the prohibited items, goods, equipment, materials and technology specified by and under the measures in paragraphs 3 and 4 above, except where such travel is for activities directly related to the items in subparagraphs 3(b)(i) and (ii) above;*

The implementation of the travel notification requirement will be addressed through the U.S. Department of State's targeted visa review process under the Immigration and Nationality Act that focuses on individuals reasonably believed to be seeking entry into the United States to engage in an activity to violate or evade U.S. export control laws.

Under these provisions, any requests by relevant individuals designated in accordance with resolution 1737 for visas to travel to or through the United States would be denied. Because such persons will not be permitted to enter into or transit through the United States, we do not anticipate that notifications to the Sanctions Committee will be required.

***Paragraph 12:*** *Decides that all States shall freeze the funds, other financial assets and economic resources which are on their territories at the date of adoption of this resolution or at any time thereafter, that are owned or controlled by the persons or entities designated in the Annex, as well as those of additional persons or entities designated by the Security Council or by the Committee as being engaged in, directly associated with or providing support for Iran's proliferation sensitive nuclear activities or the development of nuclear weapon delivery systems, or by persons or entities acting on their behalf or at their direction, or by entities owned or controlled by them, including through illicit means, and that the measures in this paragraph shall cease to apply in respect of such persons or entities if, and at such time as, the Security Council or the Committee removes them from the Annex, and decides further that all States shall ensure that any funds, financial assets or economic resources are prevented from being made available by their nationals or by any persons or entities within their territories, to or for the benefit of these persons and entities;*

On June 28, 2005, the President signed Executive Order 13382 (Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters). The Order allows the United States to block or "freeze" the property and interests in property within the United States, or in the possession or control of U.S. persons, of weapons of mass destruction proliferators and their supporters. Persons that are designated under the Order are denied access to the U.S. financial and commercial systems, and U.S. persons, wherever located, are prohibited from engaging in transactions with them. This national authority allows the United States to implement effectively the provisions set forth in operative paragraphs 6 and 12 of resolution 1737.

Pursuant to Executive Order 13382, the United States Government has designated 14 entities for their involvement in Iranian nuclear or missile activities. Five of those designated entities ) Atomic Energy Organization of Iran, Shahid Bakeri Industrial Group, Shahid Hemmat Industrial Group, Mesbah Energy Company, and Kalaye Electric Company ) were also listed in the Annex of UNSCR 1737. As indicated above, the U.S. designation of these entities effectively blocks, or "freezes" , their assets within the United States or in the possession or control of U.S. persons and prohibits U.S. persons from engaging in transactions with these entities.

The United States will continue to take measures to fully implement its obligations under the resolution and work to designate the remaining individuals and entities from the UNSCR 1737 Annex is continuing.

***Paragraph 17:*** *Calls upon all States to exercise vigilance and prevent specialized teaching or training of Iranian nationals, within their territories or by their nationals, of*

*disciplines which would contribute to Iran's proliferation sensitive nuclear activities and development of nuclear weapon delivery systems;*

Implementation of this requirement will be enforced through the U.S. Department of State targeted visa review process, under the Immigration and Nationality Act, that focuses on individuals reasonably believed to be seeking entry into the United States to engage in an activity to violate or evade U.S. export control laws, including by obtaining access to sensitive technology. Under these provisions, any requests by relevant Iranian nationals for visas to travel to or through the United States would be denied. In addition, the comprehensive prohibitions on the sale, supply, export or re-export of goods, technology or services to Iran, maintained under Executive orders issued pursuant to IEEPA, apply to such goods, technology or services provided in the United States to persons normally resident in Iran or to the Government of Iran.